

HB 1940 -- Missouri Employers Mutual Insurance Company

Sponsor: Barnes

This bill requires, before January 1, 2014, the board of directors of the Missouri Employers Mutual Insurance Company to perform all acts necessary to establish a successor mutual insurance company. The successor company must operate to the same extent as any mutual casualty insurer that is licensed and authorized to write insurance in this state, subject to the authority and regulation by the Department of Insurance, Financial Institutions and Professional Registration and with all the powers and subject to all the laws, rules, and requirements of a mutual insurance company that is organized under the laws of this state.

On or before January 1, 2013, the board must provide a report to the Governor, Secretary of State, President Pro Tem of the Senate, and Speaker of the House of Representatives that outlines the steps it will take to become a private successor mutual insurance company. The report must also calculate the value, if any, of state equity or other state financial interests in the company.

The board must perform all necessary acts to file articles of incorporation of the successor corporation and take all necessary actions to qualify for a certificate of authority as provided by law.

Beginning January 1, 2014, the successor company must become the successor in interest to all the assets and liabilities of the company without any conveyance or transfer and without any further act or deed and must be vested by operation of law with title to all property of the company. The successor company must be responsible for the obligations of the company to the same extent as though incurred originally by the successor company. The successor company cannot be an independent public corporation, state agency, or a public entity of the state. The department director is authorized to supervise the company's transition into a private successor mutual insurance company.

The bill repeals the current provisions regarding the Missouri Employers Mutual Insurance Company which become effective January 1, 2014.